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## WAGE BOARDS IN ENGLAND

Sweating is not peculiar to one country nor, indeed, to one continent. In Berlin and in Paris, as well as in London, the problem has engaged the earnest attention of the government during the last few years, and so young a country as Australia, with none of the accumulated problems of centuries of neglect, has been forced to take drastic steps to deal with the evil. It is, in fact, a product of the evolution of modern industry, and the same causes which have operated in Great Britain have given it birth or preserved its existence in other countries. Hence, though caution is always necessary in attempting to apply the experience of one country to the circumstances of another, the problem is so alike in its essentials in all parts of the world that an account of the measures taken to solve it in the United Kingdom may be of service elsewhere.

It is typical of the change which has been effected in public knowledge that during the last half century the definition of the somewhat opprobrious term "sweating" has been widened and modified. Originally it was applied to the system of subcontracting in the clothing trade, in which undoubtedly in early days the middleman made his profit by forcing his employees to work under revolting conditions in unsanitary workshops for the lowest of wages. But later experience has shown that low wages and the other evils were not confined to the tailoring industry nor to a system of subdivided manufacture. Indeed, investigation has made it clear that the employees of Jewish middlemen (for in the clothing trade the Jew is largely responsible for the development of the present highly organized system of manufacture) often earn far more than their fellow workers directly employed by the wholesale manufacturers or retailers of clothing. The term is now almost universally applied to trades in which one or more of the following evils exist: (1) An unduly low rate of wages; (2) Excessive

hours of labor; (3) Unsanitary houses in which the work is carried on.

This is the definition adopted by a Select Committee of the House of Lords on the Sweating System in 1890. It is rather with (1) and (2) that this article is concerned, though (3) is an evil which in a great many trades has not yet been removed. Opinion in Great Britain, however, has gradually hardened to the view that (3) is dependent primarily on (1). It is important indeed to insist that work, whether in a factory or in an ordinary dwelling house, shall be carried on only under healthy conditions. Increased wages provide a foundation on which a higher standard of living may be based. Sir Charles Dilke, indeed, and his friends had in 1895 advocated a scheme for the licensing of home workers, accompanied by rigorous inspection and supervision of homes, and the placing of the responsibility on the employer if work given out was taken to unlicensed dwellings. But when the details of the scheme were submitted to criticism and careful examination, the opinions of the practical officials of the Home Office and of experts in the enforcement of the sanitary laws in poor districts were found to be against it. Sir Charles Dilke himself wrote in 1907<sup>1</sup> that, in deference to this opposition, the scheme of licensing had been abandoned by most of its former advocates for the wages boards system of Victoria.

Other methods of dealing with the problem have been tried. The workers in the sweated trades are not, generally speaking, of the stuff of which trade-unionists are made. Yet numerous attempts have been made to organize them. In tailoring, as in some other trades, highly paid and closely organized branches exist. The Amalgamated Society of Tailors and other trade-unions which exist in the better paid branches of the subdivided tailoring trade have in self defense made spasmodic attempts at complete organization of the trade. But they have failed. Five per cent would probably be a liberal estimate of the proportion of persons engaged in tailoring who at any moment, up to 1909, were members of a trade-union. And this small minority was always very unstable in its allegiance. In the other sweated trades scarcely any semblance of trade-unionism has existed.

Realizing the hopeless impossibility of enforcing standard conditions by the methods which trade-unionism has adopted in the

<sup>1</sup> *International*, Dec., 1907.

properly organized industries, the leaders have attempted to enlist the assistance of sympathetic consumers by means of consumers' leagues and trade-union labels. Whatever success this method may have had elsewhere it has completely failed in Great Britain. The complexity of modern industry has made it an impossibility for the retailer, much less the ultimate purchaser, to make himself acquainted with the details of manufacture of the innumerable articles he sells. Nor is it easy to educate any large section of the public in the doctrines upon which the success of a consumers' league depends. In one or two cases it has been found possible where the consumption of an article is restricted to a class of persons limited in numbers and easily susceptible of influence; e. g., the English public schools have enforced fair conditions for the workers of racquet balls, but the general failure of white lists is now admitted.<sup>2</sup> Quite recently the Research Committee of the London Branch of the Christian Social Union, which has attempted to deal with the questions of sweating along these lines, issued a statement giving the reasons for their abandonment of the plan.

Some local governing bodies, as the London County Council, have tried another expedient. An elaborate log has been constructed which lays down the minimum piece rate for every stage of the work of making the clothes of tram conductors and other corporation employees, based on a more or less arbitrary standard of fairness. This log is scheduled to all forms of tender, and a manufacturer accepts a contract subject to the condition that for the labor required he shall pay the rate specified in the log for each process. This is, of course, an adaptation of the fair wages clause (now to be found in all government and most municipal contracts) to the particular circumstances of trades in which no accepted trade-union rate exists. To enforce this L. C. C. log, inspectors have been appointed, who are authorized to inspect the books and question the employees of contractors. So far as the goods to which the log applies are concerned the rates laid down are in most cases paid, but the method by which the intention of the municipality is in effect evaded is notorious. A contractor gives out two coats to be basted, one an L. C. C. coat, the other a similar article to which the terms of the log do not apply. The usual price paid to the worker for the job is, let us say, 6d.:

<sup>2</sup> *Women's Industrial News*, April, 1911.

and the L. C. C. minimum is 8d. Then the practice is for the worker to have 8d. marked on the ticket for the L. C. C. coat and 4d. or less on the other. If she declines to take both together, she gets neither. The letter of the contract is absolutely complied with, but its spirit and its intention are completely set at naught. The only real usefulness of the good intentions of the L. C. C. consists in the fact that thus there has been provided some sort of rough standard of fairness with which other municipalities and public bodies can demand compliance, but the experience of the L. C. C. has made it clear that because of the opportunities of evasion no attempt to deal piecemeal with the question of wages can have more than a very limited success.

Reform from within was attempted some few years ago by a conciliation council composed of representatives of the Master Tailors' Association and the Jewish trade-unions, but the difficulty that always arises with voluntary agreements between masters and men, when one side or the other is insufficiently organized, at once made its appearance, for here neither side was fully representative. Employers who refused to pay the increased rate agreed upon undersold those who did pay it, and the voluntary wages board at once broke up. Thus the opinion of social reformers of all political parties was driven to the conclusion that only by legislation, general in its application to the whole of the branch of the trade dealt with, could sweating, which was felt to be in its essence a question of wages, be eradicated. Public opinion, however, was slow to accept this final rupture with the economic doctrines of *laissez faire*.

A well-organized Sweated Industrial Exhibition in 1906, in which the work of sweated workers and the price paid for each process was shown to an astonished public, had considerable effect. In 1907 a Select Committee of the House of Commons was appointed to "consider and report upon the conditions of labor in trades in which home work is prevalent, and the proposals, including those for the establishment of wages boards and the licensing of work places, which have been made for the remedying of existing abuses." This committee reported unanimously in favor of the establishment of wages boards for home workers in various sweated trades.

In the same year, Mr. Ernest Aves of the Board of Trade was sent to Australia to investigate the working of wages boards in

Victoria and other Australian states. His report<sup>3</sup> contains a very careful analysis of the industrial conditions and of the special circumstances which have produced the general impression in Australia that wages boards have proved successful in their working. It cannot be said that Mr. Aves' report was unduly enthusiastic; at the same time it was certainly not hostile and on many points lent support to the advocates of wages boards as a remedy for sweating in Great Britain. Thus the ground was prepared; and when the Government introduced the Trade Boards Bill in 1909 all parties welcomed what promised to be a hopeful attack on a previously insoluble problem. This attitude is of considerable importance, for without the ready assistance and confidence of the best elements on both sides in the trades concerned, the experiment would have been very seriously handicapped.

*The Trade Boards Act, 1909*

The following is a summary of the main provisions of the act: Trade boards were to be set up by the Board of Trade (the department to which most labor legislation is now entrusted) for each of the following trades. (1) Ready-made and wholesale bespoke tailoring; (2) Paper box-making; (3) Machine-made lace and net finishing and mending or darning operations of lace curtain finishing; (4) Certain kinds of chain-making. All workers in these trades, whether employed in factory or workshop or at home, come within the scope of the act.

The act may be extended to other trades by means of a provisional order made by the Board of Trade and confirmed by Parliament. If there is serious opposition this involves judicial investigation into the expediency of the order by small impartial committees of both Houses.

Every trade board consists of three classes of persons: (a) "appointed members," i. e., persons appointed by the Board of Trade; (b) members representing employers; and (c) members representing workers. Women are eligible to membership as well as men, and in the case of a trade in which women are largely employed at least one of the appointed members acting on the board must be a woman. Homeworkers must be directly repre-

<sup>3</sup> *Report to the Secretary of State for the Home Department on Wages Boards and Industrial Conciliation and Arbitration in Australia and New Zealand*, by Ernest Aves (1908, Cd. 4167).

sented when they form a considerable proportion of persons employed. The members representing employers and the members representing workers are equal in number, and the appointed members less in number than the members representing either side. The chairman is appointed by the Board of Trade from among the members of the trade board.<sup>4</sup>

When a trade is widely distributed the trade board divides the country into suitable areas, and in each establishes a district committee in order that local questions may be inquired into by the local people interested. A district trade committee consists of the local representative members of the trade board and of at least one appointed member of the trade board together with local employers and workers in equal number. Home workers are represented when there is any considerable proportion of them.

The minimum rates of wages are fixed by the trade board, but in cases where district trade committees are established no rate may be fixed, varied, or cancelled until the committee dealing with the area to which the rate applies has had an opportunity of considering the matter and making recommendations. Before fixing any minimum rate of wages the trade board give notice of the proposed rate, and consider any objections that may be put before them within three months. The rate so fixed immediately has a *limited operation*, as follows:

(a) Employers have to pay wages not less than the minimum unless there is a written agreement under which the worker agrees to accept less. If less than the minimum is paid and there is no such written agreement, wages at the minimum rate can be recovered from the employer as a debt, but the employer is not liable to a fine.

(b) No employer receives a contract from a government department or local authority unless he has given notice to the trade board that he is willing to be bound by the rate fixed and to be liable to the same fine for underpayment as if the rate had been obligatory.

The limited operation continues until the Board of Trade issues an order making the rate universally *obligatory*. This must be made by the Board of Trade six months after notice of the rate fixed has been given by the trade board, unless the Board of Trade considers it premature or otherwise undesirable to make an obligatory order.

The act requires the trade boards to fix minimum time rates of

<sup>4</sup>In actual practice the head of the Trade Boards Office of the Board of Trade has acted as chairman of all four trade boards.

wages for their trades. It also gives them power to fix general minimum piece rates; and these rates, whether by time or piece, may be fixed so as to apply to the whole trade or to any special process or to any special class of workers or to any special area. A trade board may, if necessary, after due notice, cancel or vary any rates so fixed, and must reconsider any rate if directed to do so by the Board of Trade.

### *Time and Piece Rates*

Employers are at liberty to arrange with their workers for payment either by piece or time. If the workers are paid by piece for doing work for which a minimum time rate, but no general minimum piece rate, has been fixed, two courses are open to the employer: (a) He may fix the piece rate himself, in which case he must be able to show, if challenged, that his rate would yield to an ordinary worker in the same circumstances at least as much money as the time rate fixed by the trade board (it is not necessary for him to show that the piece rate which he has fixed yields every worker, however slow or incapable, the same amount of money that the minimum time rate would yield; nor on the other hand is it sufficient for him to show that the piece rate which he has fixed will yield the equivalent of the minimum time rate in the case of a specially fast worker); or (b) He may, if he chooses, apply to the trade board to fix a *special minimum piece rate* for the persons he employs.

When a minimum rate has been made obligatory by order of the Board of Trade, any agreement for the payment of wages at less than the minimum rate is void. Payment of wages at less than the minimum rate, clear of all deductions, renders the employer liable to a *fine* of not more than £20. The court may at the same time order the employer to pay the worker any amount which he has been underpaid. The trade board itself may take proceedings on behalf of any worker who complains of receiving less than the minimum rate. If, however, the trade board is satisfied that a worker, owing to infirmity or physical injury, cannot earn the minimum time rate and cannot suitably be put on piece work, it may grant the worker a *permit* enabling him to be employed on special terms, and exempting his or her employment from the act so long as any conditions prescribed by the trade board on the grant of the permit are complied with.



In order to prevent evasion of the law by the substitution for the contract of employment of some other relation between the parties, any trader, who by way of trade makes any arrangement, express or implied, with any worker, in pursuance of which the worker performs any work for which a minimum rate of wages has been fixed, is deemed to be the employer of the worker and liable for the payment of wages at not less than the minimum rate. The net remuneration obtainable by the worker under the arrangement referred to, after allowing for his necessary expenditure in connection with the work, will be deemed to be the worker's wages.

Officers, appointed by the Board of Trade for the purpose of investigating complaints and otherwise securing the proper observance of the act, have power to enter factories, workshops and places used for giving out work and also to require the production of wages sheets, etc. Notices of matters under the act are required to be posted up in workshops, factories, and places used for giving out work.

It will be seen that a good deal of discretion was left to the Department of State. This was inevitable owing to the lack of accurate knowledge in or out of Parliament of the peculiar conditions in the various trades. The act was frankly experimental. The trades selected were widely different in their extent and organization. Two of them, chain-making and lace-finishing, are confined to small areas and limited to simple processes carried on almost entirely by hand. The other two, tailoring and box-making, are carried on in all parts of the country, employ a large number of persons (the branches of tailoring concerned afford employment for about 200,000 persons), and exhibit all forms of industry from the humble home worker to the highly organized factory filled with the most modern machinery. In three of them also, lace, chains and tailoring, the problem of minimum wages is complicated by the existence of middlemen.

Of initial difficulties there were not a few. Factory legislation of all kinds is dependent in great measure for success on the co-operation of the workers it is intended to assist, and on the existence of a healthy public opinion in its favor. In legislation dealing with wages the former is absolutely essential. So far as the public took any real interest in the state of the sweated trades there was no doubt of the latter. But the sweated workers them-

selves were and are a difficult problem. The lower a woman's wages the more timid she is of any sort of disturbance of the unstable equilibrium of her livelihood. Trade-unionism and similar movements have never flourished amongst the poorest class of workers. The wearing struggle for daily bread leaves no time, no energy and no inclination for other interests. The more depressed the condition of the worker the more difficult it is to arouse in her any interest in its improvement. Efforts were made to persuade the women employed in tailoring and box-making to come to public meetings at which the intention and machinery of the act would be explained. In London, considering the number of women affected by the act, most of these meetings were dismal failures. In some cases hundreds of handbills were distributed, many women were personally canvassed, and a dozen or so put in a belated appearance. In the industrial North, however, in Leeds for example, where local feeling can be aroused more easily, much greater interest was shown, and the officials who attended to explain the act had some quite successful meetings.

There was more than apathy to make difficult the task of those who were attempting to arouse interest. The workers of the less reputable employers were firmly convinced that attendance at public meetings of this sort was likely to lose them their jobs, though there was no real evidence of direct intimidation. Finding, therefore, that the ordinary public meetings were not having much success, voluntary committees connected with the East End settlements, Toynbee Hall and Oxford House particularly, organized meetings of club workers, district visitors and other persons who habitually come into contact with the home life of the women workers. Through this means the act was explained to numerous working girls' clubs, and thus indirectly and slowly a knowledge of the act filtered through to the people on whose intelligent interest its success depends.

### *Chain-Making*

The first trade board was set up for chain-making, for this was the simplest of the scheduled trades. The women chain-makers at Cradley Heath, where the trade is completely localized, carry on in small workshops work of so heavy a nature as to seem to be suitable only for the strongest of men. Their earnings, however, have been a public scandal for a generation. The men en-

gaged in the manufacture of cable and other great chain possess a strong organization and earn good wages, but the sweated branches employ about 2,000 men and women.

No rules are laid down for the appointment of workers' representatives, and in this case it was found possible to hold meetings and elect them directly. One immediate result of the passing of the act was the impetus given to trade-union effort in the trades concerned. At Cradley practically all the women were enrolled in the National Federation of Women Workers, and consequently at the election of trade board representatives the workers' side was stiffened by the inclusion of experienced trade-unionists who, though they had no technical knowledge of the particular trade, possessed considerable experience in conciliation and collective bargaining. Six persons were appointed on each side and three "appointed members"—nominated by the Board of Trade from outside the trade—held the balance. The board decided on a minimum rate of 2½d. per hour for hand-hammered chains, and proceeded to fix a piece rate which is said in practice to yield slightly more than the time rate. This rate is not princely. It is, indeed, extremely low. But it must be judged by comparison with what was generally paid formerly. Absolutely exact figures are not forthcoming, but Miss Macarthur made elaborate investigations for the purpose of her evidence before the Home-Work Commission and put the average at about 5s. per week. Messrs. Cadbury and Shann stated (1907) that the average weekly wage was from 4s. to 7s.—often in times of bad trade being even less than this.

The new rate represents an average increase of about 60 per cent net wage. Many put the average higher, and on some of the lower quality chains the increase is certainly more:

Many workers, for instance, who receive for a certain class of chains 3s. 3d. per cwt. now get 6s. 6d. Whereas making 2 cwt. under the old conditions and paying 2s. 6d. out of their gross wage for fuel and the rent of their forge, they would have a net wage of 4s., they are now earning a gross wage of 13s. and paying 2s. 6d. as heretofore, retain 10s. 6d., an increase of 150 per cent. Workers on low quality chain employed on full time (54 hours) are now found to be earning 12s., 13s., and even 14s.<sup>5</sup>

So remarkable a comparative increase was bound at first to present difficulties of enforcement. Under the act the payment

<sup>5</sup> J. J. Mallon in the *Womens Industrial News*, April, 1911.

of minimum rates may, by written agreement, be avoided during the optional period of six months. The small employers and middlemen at Cradley at once attempted to take advantage of this and to lay in large stocks of chain at the old rates. It was felt that if this continued, when the rate became obligatory, for some time there would be no work for the women to do. The women were advised, therefore, by their trade-union to refuse to sign the agreement; and their masters, in an attempt to coerce them, locked them out. Public opinion as well as the opinion of the better class employers was with the women. Subscriptions poured in to support the trade-union, a good deal of pressure was brought to bear on the employers concerned from within the trade, and the women won. The minimum rate at once commenced to be paid.

A similar struggle occurred when rates were settled for the sweated portion of the men's trade, the "dolloed" and "tommied" chains. The minimum time rate fixed ranged from 5d. to 7d. per hour according to the class of work, and corresponding piece rates were drawn up. Thus for a normal week of 54 hours a man will now be able to earn from 22s. 6d. to 31s. 6d. This is a substantial increase. As with the women, public opinion and private pressure from the trade itself were too much for the employers who desired to take unfair advantage of the six months waiting period, and the new rate was generally paid from the beginning.

The experience of the chain trade with regard to the period of limited obligation suggests very great doubts as to its utility. Nine months seems too long a period of notice, for three months' notice must be given before the six months commences to run. In many trades, of course,—two of the other scheduled trades for example—it would be too risky to attempt to accumulate large stock at the old rates. Fashions in clothes and boxes change too rapidly. Though even here in the cheapest and most sweated classes of children's clothing and in some types of boxes there may yet be trouble in this connection. Possibly one of the first amendments of the act will be a shortening or complete abandonment of this period.

The conditions at Cradley were, it must be allowed, peculiarly predisposed towards success. (1) Most of the employers had admitted for some time that the rate of remuneration was scandalously low. Whilst on the organized mens' side of the trade, wages have increased during the last generation, on the women's side

the stress of competition has tended rather to reduce them. Moreover, several leading employers had expressed their willingness to give a 20 to 50 per cent increase if only their competitors did likewise. Indeed, the trade board reached its decision unanimously.

(2) The absence of foreign competition was also an important factor. There is practically no import of chains. The Cradley Heath manufacturers have a monopoly of the trade, and are able, therefore, to pass on to the consumer increases in the cost of production.

(3) The complete localization of the industry has rendered the task of enforcement much easier, first, because it was not difficult to make every worker know the wages she was entitled to receive; second, because of the difficulty of hiding evasions from competing employers, who are just as anxious as the workers to secure that the rate shall be paid; and third, because strong local feeling materially assisted the formation of a trade-union. It is the general opinion that there is little if any evasion. The trade board has had occasion to prosecute one employer for failing to pay the minimum rate to some boys whom he employed. It appeared that by collusion between master and boys the latter received 14s. each per week instead of 17s., the minimum rate; 17s. appeared on the pay sheets and in one instance was actually placed on the pay table, the boy's mother being told to take away the 14s. only. Rumors of this evasion soon came to the ears of members of the trade board, and proceedings were taken. The master was fined £5 per case; he was ordered to pay all arrears to the boys, and also the costs of the prosecution.

(4) It was possible to draw up a piece rate as there were no insuperable complications of manufacture. This was important, for the difficulty of enforcing a time rate among home workers is great. It can be done perhaps where the home workers are only a small percentage of the factory workers and a piece rate can be tested by experience in the factory. It will be observed that when only a time rate has been fixed the onus lies on an employer, who pays by piece, to prove that his rate yields as much as the time rate to the ordinary worker. This can be tested in a factory, for there the piece rate would probably give satisfaction, if a high proportion of the workers, say 85 per cent as has been provisionally suggested by one trade board, earned the minimum required by the time rate.

(5) There is at present very little competition between the machine and the hand worker. Scarcely any of the factories have installed modern machinery. No doubt in the past labor has been so cheap that it has not been worth while to use or to invent machines for short lengths of chain. Ultimately, of course, the increased cost of labor may stimulate the use of machinery, but there is not much, if any, evidence of this process having started in the eleven months that some of the rates have been in operation. It would seem that it is still cheaper to manufacture short lengths of chain by hand labor than by the existing machinery. Indeed, it appears according to a local paper that since the minimum rates were fixed "the excellence of the hand welded article has attained a superexcellence never before dreamed of, and machine-made small chain is finding its own level." It may be that the trade board will be able to secure for the worker the economic advantages which improved machinery would otherwise have diverted to the consumer.

The danger that the minimum rate might be evaded, as occurred at first in Victoria, by the replacement of adult by juvenile labor has been carefully provided against. Thus in the 'dolloed' or 'tom-mied' trade, learners are to receive from the beginning a minimum time payment of 4s. per week for the first six months; 5s. 6d. during the second six months; 10s. during the third six months; and 12s. 6d. during the fourth half year. Afterwards the full minimum adult rate is to be paid. For the purposes of all the above rates 'learners' are persons who:<sup>6</sup>

(a) Are definitely and effectively employed under an agreement in writing in the practical learning of the branch of the trade to which these rates apply.

(b) Have not been definitely employed in learning such branch of the trade more than two years, or one year if two years' apprenticeship has been served in another branch of the trade.

(c) Are under eighteen years of age.

(d) Are working on the terms of having the workshop and the tools and the fuel provided by the employer.

(e) Hold a certificate from the trade board issued on application made prior to the commencement of the employment or within such period thereafter as the trade board may in any case or class of cases allow. Provided always that in granting or withholding such certificate, the trade board may take into consideration whether, having regard to the number of learners employed in any factory or workshop

<sup>6</sup> Extract from the notices issued by the trade boards.

or under any journeyman or worker, the learner proposed to be certificated has a reasonable prospect of receiving due instruction. Provided also that any certificate may be withdrawn if the trade board consider that the conditions of employment have ceased to be such as would have originally justified the grant thereof.

### *Machine-Made Lace Finishing*

The Nottingham lace trade presents some points of resemblance to the chain industry. It is compactly localized in Nottingham and the immediate neighborhood. It is chiefly a home workers' trade and between the workers and the warehousemen as a rule come middlewomen who, in return for some organizing services, have levied a heavy toll on the workers. Similarly, too, in Nottingham voluntary efforts had been made to establish minimum rates. About one third of the employers combined early in 1907 to publish in the local papers a list of minimum piece rates to be paid to the middlewomen. But the experiment failed in its object of securing better wages for the workers. The question of machinery does not enter into the matter as the particular processes for which the trade board was set up are not likely to be undertaken by machinery. The question of foreign competition is, however, of some importance here, for the trade more or less directly competes with France, Switzerland and Germany.

It was not found possible in the lace trade or in the other two trades to elect workers' representatives for the trade board as had been done at Cradley. The Board of Trade therefore invited nominations and after inquiry selected those who appeared most suitable. The trade board consisted of 19 persons in all, 8 workers' representatives, 8 employers (2 of whom were middlemen) and 3 appointed members. A minimum rate of 2 3/4d. an hour was fixed with the understanding that after a year it should be increased to 3d. an hour. No difficulty was found in fixing a piece rate, for the log referred to above as the basis of payment to the middlemen was adopted en bloc. It will, of course, have to be revised when the 3d. rate is fixed. Thus the trade board has fixed for the actual worker a rate which the best employers had agreed to pay the middlewomen, who deducted for themselves anything between 25 and 50 per cent, but which in actual working was never properly observed even amongst the better paid branches of the trade. Where the middlewoman is the direct employer she is to be responsible for

the payment of this rate, but if the services of the middlewoman are dispensed with and the worker deals direct with the warehouse an additional rate to be agreed upon is to be paid. One omission in the act has been disclosed at Nottingham and elsewhere. The trade board has no power to fix the percentage or rate of remuneration for the services performed by middlemen. The choice had to be made between making the direct employer responsible for the payment of the minimum rate, even though that direct employer might be himself, as is often the case in the tailoring and lace industries, a fellow worker in the trade, and really employed by a warehouseman or factory owner; or making the factory owner responsible for ensuring the payment of the full rate to everybody working on the goods he has given out. It was felt that the latter plan was impracticable, and the former was adopted. But no provision was inserted to enable the minimum commission for the middleman to be fixed. Consequently there has been strong inducement for the middleman to delay payment of the minimum rate as long as possible, for he has no guarantee that the increase of his expenditure for wages would be met by an increased price from his own employer. Most of the employers in the lace trade have voluntarily agreed to pay a fair middleman's rate over and above that fixed for the worker, and an organization of the middlemen would at once have enabled them to coerce the remaining firms. Instead, however, some of them took fright, and set to work to force their employees to contract out of the operation of the new rate during the limited operation period. This has been resisted as at Cradley. The workers are joining the newly established union (already it boasts a thousand members) and public opinion and the opinion of the large employers is on their side. At the time of writing, the new rate is being generally paid during the optional period to about half the workers. It is interesting that though the rate does not become obligatory until February, 1912, the trade board in publishing their determination inserted a note, which, of course, is of the nature of an obiter dictum and is not binding, that "the trade board are agreed that all the above rates should, in cases in which they are applicable, be obligatory on October 1, 1911, on all persons employing labor and on all persons employed." Provisions similar to those at Cradley were made with regard to learners.



*Box-Making and Tailoring*

In the two other trades, box-making and tailoring, the work has not yet progressed so far. In both cases district trade committees have been established throughout the country. A new factor has appeared in the shape of a strong national organization of the masters, which has had the first result of destroying the usefulness of the district trade committees as independent advisers of the trade board, for the employer members of the committees have in each case put forward the same rate, intentionally low, suggested by their association. The workers' representatives, similarly federated, have suggested in each case a rate correspondingly high. No agreement has been reached, but each committee has referred back to the trade board the rates suggested by the two sides. Thus the only result of appealing to the districts for guidance has been to delay operations for some months, and to leave the question in the same state as it left the trade board. One interesting point has been settled on the same lines in both trades. The minimum rate is to be universal throughout the entire country; there is to be no differentiation such as at present exists in practice between district and district. Both employers and workers have agreed on this point.

The box board has already fixed its time rate at 3d. an hour, and has dealt with the question of learners in the same way as the earlier established boards. One condition is novel: "A learner must be employed in a factory or workshop not being a room used for dwelling purposes." This means that practically every home worker—the only exceptions will be those who by reason of infirmity or physical injury have been granted permits (see earlier)—must be paid at least the minimum rates. Further, the 3d. rate is to be clear of all deductions. Thus the employer must prove that the piece rate he pays his home worker is at least equivalent to the minimum time rate after the workers have paid for the paste, glue, string, fixing, etc., necessary for their work. There is no doubt at all that the proposed minimum rate represents a very substantial increase on the rates previously paid. To take one<sup>7</sup> example, a rate of 2½d. per gross used to be paid for match boxes. An outlay of at least ¼d. per gross was required for paste, etc. A very skilled worker working not less than 12 hours could make at

<sup>7</sup> Evidence of Miss Squire, chief lady inspector of factories, before Select Committees on Home Work.

the most 8 gross. This would work out at about 11½d. per hour. Opinions differ as to whether it will be possible for the trade board for either boxes or tailoring to draw up a piece rate. Fashions change so rapidly that almost before a piece-rate list could be made it would become partly obsolete. Many members of the boards, however, are quite convinced that a piece rate is both necessary and practicable, and it is a fact that the Victorian boards have drawn up piece-rate lists for both trades.

In the actual constitution of the boards in the tailoring and lace trades an interesting expedient was adopted. It was necessary to give the middlemen representation on the employers' side, but on many points their interests are those of the workers as against the large employers. Thus it was deemed advisable to prevent the middlemen, who on the tailoring board, for example, had 3 seats as against the 10 of the factory employers and the 13 of the workers, holding the balance in every important question. This was achieved by giving the chairman the right, when he thinks it desirable, and the duty, when requested by more than half of the representatives of employers or workmen, to take a vote of the representative members, by sides. The vote of the majority of members voting on either side then counts as the vote of that side. Thus on any important point of disagreement the ultimate decision rests with the majority of the appointed members (in the case of the tailoring board, one is Mr. Aves who has been previously mentioned, two have had considerable experience as Official Arbitrators in industrial disputes, the fourth is an economist of repute, and the fifth is a well-known Jewish lady of title who has a special knowledge of the poorer classes in the Jewish quarter). The value of this has been seen in the tailoring board which has just proposed its minimum time rate for women. The workers asked for 4½d. an hour, the large employers offered 2¾d., the master tailors (i. e., the Jewish workshop occupiers and middlemen) who hoped by means of as high a rate as possible to drive work out of the factories into their small workshops where much closer supervision and consequently higher efficiency is possible, suggested 4d. an hour. After long discussions and under protest from the employers, the board proposed a 3½d. rate, by the vote of the appointed members. The strength of the factory employers' opposition to this may be taken as an indication of the fact, which is generally accepted, that it will bring about a

large increase in the earnings of the women and girls in the factories.

For men's tailoring the minimum time rate of 6d. per hour has been proposed. Learners' rates for both men and women are also carefully set out. An interesting divergence in the method of treatment of the two sexes is to be noted. Girls are to be paid a weekly wage from the commencement of their service, which rises from 3s. per week at age of 14 to 13s. 6d. after 4 years on reaching the age of 18, if they have commenced before 15 years old. If between 16 and 21, two years' learnership only, and if over 21, one year's learnership only are allowed. Male learners, however, are to be paid according to age only; length of experience in the trade is not regarded. Under 15 a boy must be paid 4s. 2d. per week. By steady rises 23s. 11d. is reached between the ages of 22 and 23. Every man over 23 years old employed in the trade must be paid at least full minimum rates. The intention of this is to prevent the undercutting of rates of wages, which has gone on in the past by the "greeners" as they are called—alien immigrants from Eastern Europe, who are willing to accept day wages or no wages at all but merely food and lodging, on arriving penniless in London. Much of the sweating in the East End tailoring trade has been due to this cause.

It is too early yet to attempt a judgment on the trade board's experiment as a whole, but some points have clearly emerged in two years' experience of its working.

(1) Its immediate effect has been to stimulate organization among both masters and workers to a remarkable extent. This is a tremendous gain, for the existence of organizations on both sides renders the enforcement of the minimum easier. The employers, who are paying fair rates, have as much to gain as the workers in detecting evasions of the act.

(2) The trade board has in each case considerably increased the average rate of wages. This has been accomplished chiefly by a process of levelling up. The best employers have not objected to paying a little more provided it was obligatory on their competitors to do the same. A remarkable feature of the sweated trades, especially those in which home work plays a large part, has been the wide diversity of rates paid for the same work. Each woman working by herself, knowing very few if any of her fellow-workers, has been at the mercy of her particular employer, and if he took advantage of her weakness she has not dared to resist.

(3) There have been no signs, though of course it is early yet, of any dislocation or diverting of trade in consequence of an increase in the cost of production. On this point Mr. Aves's report on Victorian experience is interesting: "In several trades in which wages have tended upwards there is much testimony to the fact that neither cost nor selling price has been similarly affected, and in some instances it has been admitted that they have tended in the opposite direction."

(4) The act has already tended to promote better organization of the trade as well as of the persons engaged in the trade. Intensive study of the conditions of these trades by experts, officials and picked employers and workers has revealed the existence of many faults of organization, and suggested their remedy. Thus the high percentage taken in the past by many of the middlewomen in the lace industry has led the employers and the actual workers, when brought face to face, to devise means for avoiding payment of this heavy and often unnecessary toll.

(5) The trade boards require wider powers. The statutory six months period of limited operation is unnecessary and might be left to the discretion of the trade boards. So also they might have the power to settle disputes, to deal with the question of hours, to organize the reserve of casual labor on which the trades depend in time of rush, and to promote technical instruction.

(6) It is not yet possible to judge the effect on home work. Probably more work will be driven into the factories. On the whole the majority of observers are agreed that this is an advantage provided it is not unduly hastened. Work can be supervised, sanitary and other regulations can be enforced and the exploitation of juvenile labor can be prevented much more easily in the factory. At the same time the representation of home workers on the trade board, and the fact that some of these trades, tailoring, for example, are forced to depend on outside help in times of boom, will tend to ease the transition.

Finally, it may be claimed that so far as the two simpler trades are concerned the act is an assured success. The initial difficulties, which were said to be insurmountable, have been overcome in all the four trades. The test to which the act is being put in tailoring is the most severe that could have been attempted. If it succeeds in this it can be applied with confidence to any other trade whatever in which the evil of underpayment is to be found, and there

is every reason to be satisfied with the progress at present achieved. Already other trades are clamoring to be included. It would be safe to say that the measure of progress in the two short years that have elapsed has exceeded the hopes of the warmest supporters of the act, and there is every indication that at last a weapon has been forged that will greatly diminish if it does not destroy one of the worst evils of our industrial system.

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